



**Entrehubs - 2.4 Financial and economic literacy**

**Create your own business case –  
Given cases / startup ideas**

If you want to realize your own business feel free to. Then just use the below templates and advises to develop your own business configuration.

If not, below you find 4 business cases of 4 different sectors with estimations for 5 years (P&L, Balance Sheet) for this startups. Please prepare a business plan to be presented to 3 different types of investors, a family office, a foundation and a VC funds.

- I. You will find ideas for what has to be included in the business plan, and a simple template for numbers to be added if assumed helpful.
- II. Ideas to integrate sustainability in your business case.

Try to include the arguments for each of the investors, depending on their expectations:  
E.g. EdTech Platform

- Family Office: Focus on long-term growth and stability. Highlight how the platform aligns with their philanthropic goals in education.
- Foundation: Emphasize the social impact and how the platform can improve educational outcomes for underserved communities.
- VC Fund: Showcase scalability, potential market size, and exit strategies. Demonstrate strong growth projections and a path to profitability.

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## Business Cases, Financial data

### Business Case 1: EdTech Platform

**Sector:** Education Technology

**Business Idea:** An online platform providing personalized learning experiences for K-12 students using AI and machine learning.

#### 5-Year Financial Estimations (P&L, Balance Sheet)

##### Profit and Loss Statement (P&L):

Year	Revenue	COGS	Gross Profit	Operating Expenses	Net Profit
1	\$100,000	\$30,000	\$70,000	\$50,000	\$20,000
2	\$300,000	\$90,000	\$210,000	\$100,000	\$110,000
3	\$700,000	\$210,000	\$490,000	\$200,000	\$290,000
4	\$1,500,000	\$450,000	\$1,050,000	\$400,000	\$650,000
5	\$3,000,000	\$900,000	\$2,100,000	\$800,000	\$1,300,000

##### Balance Sheet:

Year	Assets	Liabilities	Equity
1	\$120,000	\$50,000	\$70,000
2	\$350,000	\$150,000	\$200,000
3	\$800,000	\$300,000	\$500,000
4	\$1,700,000	\$600,000	\$1,100,000
5	\$3,500,000	\$1,200,000	\$2,300,000

### Business Case 2: HealthTech Wearable

**Sector:** Health Technology

**Business Idea:** A wearable device that continuously monitors vital signs and sends alerts to healthcare providers in case of abnormalities.

#### 5-Year Financial Estimations (P&L, Balance Sheet)

##### Profit and Loss Statement (P&L):

Year	Revenue	COGS	Gross Profit	Operating Expenses	Net Profit
1	\$200,000	\$100,000	\$100,000	\$80,000	\$20,000
2	\$600,000	\$300,000	\$300,000	\$160,000	\$140,000
3	\$1,200,000	\$600,000	\$600,000	\$300,000	\$300,000
4	\$2,500,000	\$1,250,000	\$1,250,000	\$600,000	\$650,000
5	\$5,000,000	\$2,500,000	\$2,500,000	\$1,200,000	\$1,300,000

**Balance Sheet:**

Year	Assets	Liabilities	Equity
1	\$150,000	\$70,000	\$80,000
2	\$500,000	\$200,000	\$300,000
3	\$1,000,000	\$400,000	\$600,000
4	\$2,200,000	\$900,000	\$1,300,000
5	\$4,500,000	\$1,800,000	\$2,700,000

## Business Case 3: Green Energy Solutions

**Sector:** Renewable Energy

**Business Idea:** A company that installs and maintains solar panel systems for residential and commercial properties.

### 5-Year Financial Estimations (P&L, Balance Sheet)

**Profit and Loss Statement (P&L):**

Year	Revenue	COGS	Gross Profit	Operating Expenses	Net Profit
1	\$150,000	\$90,000	\$60,000	\$40,000	\$20,000
2	\$450,000	\$270,000	\$180,000	\$80,000	\$100,000
3	\$900,000	\$540,000	\$360,000	\$150,000	\$210,000
4	\$2,000,000	\$1,200,000	\$800,000	\$300,000	\$500,000
5	\$4,500,000	\$2,700,000	\$1,800,000	\$600,000	\$1,200,000

**Balance Sheet:**

Year	Assets	Liabilities	Equity
1	\$100,000	\$50,000	\$50,000
2	\$300,000	\$150,000	\$150,000
3	\$700,000	\$300,000	\$400,000
4	\$1,500,000	\$600,000	\$900,000
5	\$3,200,000	\$1,200,000	\$2,000,000

## Business Case 4: E-commerce Platform for Sustainable Products

**Sector:** E-commerce

**Business Idea:** An online marketplace for eco-friendly and sustainable products, connecting conscious consumers with ethical brands.

## 5-Year Financial Estimations (P&L, Balance Sheet)

### Profit and Loss Statement (P&L):

Year	Revenue	COGS	Gross Profit	Operating Expenses	Net Profit
1	\$120,000	\$50,000	\$70,000	\$60,000	\$10,000
2	\$360,000	\$150,000	\$210,000	\$120,000	\$90,000
3	\$800,000	\$350,000	\$450,000	\$200,000	\$250,000
4	\$1,800,000	\$800,000	\$1,000,000	\$400,000	\$600,000
5	\$3,500,000	\$1,500,000	\$2,000,000	\$800,000	\$1,200,000

### Balance Sheet:

Year	Assets	Liabilities	Equity
1	\$130,000	\$60,000	\$70,000
2	\$400,000	\$200,000	\$200,000
3	\$900,000	\$400,000	\$500,000
4	\$2,000,000	\$900,000	\$1,100,000
5	\$4,000,000	\$1,800,000	\$2,200,000

## Business Plan Inclusions

1. **Executive Summary**
  - Overview of the business idea
  - Mission statement
  - Business objectives
  - Summary of financial projections
2. **Sustainability approach:** what are targets (SDGs) to be tackled? Are there arguments for the sectors?
3. **Market Analysis**
  - Industry overview
  - Target market identification
  - Competitor analysis
  - Market trends
4. **Business Model**
  - Revenue streams
  - Pricing strategy
  - Sales and marketing strategy
5. **Product/Service Offering**
  - Detailed description of products/services
  - Unique selling propositions (USPs)
  - Development roadmap
6. **Operations Plan**
  - Business location and facilities
  - Technology and equipment
  - Supply chain and logistics
7. **Management Team**
  - Background and experience of founders
  - Organizational structure

- Key hires
- 8. Financial Plan**
  - Detailed financial projections (P&L, Balance Sheet, Cash Flow)
  - Funding requirements
  - Use of funds
  - Break-even analysis

## Investor Considerations

You will present in front of different types of investors with different expectations. You will as well take one perspective when other groups present.

What are their specific expectations:

### **Family Office:**

- Focus on long-term growth and sustainability
- Emphasis on values and mission alignment
- Interest in stable and diversified investment

### **Foundation:**

- Social impact and alignment with foundation's mission
- Clear metrics for measuring impact
- Transparency and accountability

### **VC Funds:**

- High growth potential and scalability
- Strong market opportunity and competitive edge
- Experienced and capable management team

## Financial Template (to be added if assumed helpful)

### **Revenue Projections:**

```
bash
Copy code
Year      Product/Service  Unit Price  Units Sold  Total Revenue
1         Product A       $X          Y           $XY
          Product B       $X          Y           $XY
          ...
2         Product A       $X          Y           $XY
          Product B       $X          Y           $XY
          ...
...
5         Product A       $X          Y           $XY
```

Product B	\$X	Y	\$XY
...			

### Cost of Goods Sold (COGS):

bash

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Year	Material Costs	Production Costs	Total COGS
1	\$X	\$Y	\$X+Y
2	\$X	\$Y	\$X+Y
...			
5	\$X	\$Y	\$X+Y

### Operating Expenses:

bash

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Year	Marketing	Salaries	Rent	Utilities	Other	Total Expenses
1	\$X	\$Y	\$Z	\$A	\$B	\$X+Y+Z+A+B
2	\$X	\$Y	\$Z	\$A	\$B	\$X+Y+Z+A+B
...						
5	\$X	\$Y	\$Z	\$A	\$B	\$X+Y+Z+A+B

## Tips for Presenting to Investors

- 1. Tailor the Pitch:**
  - Highlight aspects that align with each investor's interests and values.
  - Be clear about the unique value proposition and growth potential.
- 2. Show Passion and Expertise:**
  - Demonstrate deep knowledge of the industry and market.
  - Showcase the team's strengths and experience.
- 3. Be Transparent and Realistic:**
  - Provide realistic and well-researched financial projections.
  - Be upfront about potential risks and how they will be mitigated.
- 4. Focus on Impact:**
  - Especially for foundations, emphasize the social or environmental impact.
  - Show how the business aligns with broader societal goals.

By following these guidelines and utilizing the provided templates, please create a compelling and animating business plan to convince investors and effectively pitch your startup to the above mentioned types of investors.

Focus on non-financials as well as on financials to animate the investors.

## Include Sustainability in your case:

Incorporating sustainability and SDG-/ESG-reporting into the business plans can enhance their appeal to investors, especially those with a focus on social responsibility and environmental impact. Here are ideas on how sustainability and SDG-/ESG-reporting can be integrated into the four business cases:

## Business Case 1: EdTech Platform

**Sector:** Education Technology

### **Incorporating Sustainability and SDG-/ESG-Reporting:**

#### **Sustainability Initiatives:**

- **Digital Learning Reduces Carbon Footprint:** Highlight how digital learning reduces the need for physical textbooks, lowering paper consumption and transportation emissions.
- **Energy-Efficient Data Centers:** Use energy-efficient data centers and cloud services to minimize carbon emissions.
- **Promote Sustainable Development Goals (SDGs):** Focus on SDG 4 (Quality Education) by providing access to high-quality education for all, including underserved communities.

#### **ESG Reporting:**

- **Environmental:** Report on energy consumption and efforts to minimize carbon footprint through digital operations.
- **Social:** Measure the impact on student performance and accessibility of education, particularly in remote or underserved areas.
- **Governance:** Ensure data privacy and security for all users, implementing robust cybersecurity measures.

#### **SDG/ESG Metrics:**

- Number of students served in remote/underserved areas.
- Reduction in paper usage due to digital textbooks.
- Energy savings from efficient data centers.

## Business Case 2: HealthTech Wearable

**Sector:** Health Technology

### **Incorporating Sustainability and SDG-/ESG-Reporting:**

#### **Sustainability Initiatives:**

- **Eco-Friendly Materials:** Use sustainable and recyclable materials for the wearable devices.
- **Energy-Efficient Devices:** Design devices to be energy-efficient, reducing the need for frequent charging and lowering energy consumption.
- **Promote Health and Well-being (SDG 3):** Contribute to SDG 3 (Good Health and Well-being) by improving healthcare monitoring and outcomes.

#### **ESG Reporting:**

- **Environmental:** Track the use of sustainable materials and recycling rates for devices.
- **Social:** Report on health outcomes and the number of users benefiting from the device, particularly in low-income or high-risk populations.
- **Governance:** Ensure ethical practices in data handling and privacy, with transparent reporting on data breaches or issues.

**SDG/ESG Metrics:**

- Percentage of materials sourced sustainably.
- Energy consumption per device.
- Health improvements tracked via the wearable (e.g., reduced hospital admissions).

## Business Case 3: Green Energy Solutions

**Sector:** Renewable Energy

**Incorporating Sustainability and SDG-/ESG-Reporting:**

**Sustainability Initiatives:**

- **Renewable Energy Generation:** Focus on installing solar panels to increase renewable energy usage and reduce reliance on fossil fuels.
- **Energy Efficiency:** Provide solutions that maximize the energy efficiency of installations, such as smart grids and energy storage systems.
- **Promote Affordable and Clean Energy (SDG 7):** Support SDG 7 (Affordable and Clean Energy) by making solar energy accessible to all.

**ESG Reporting:**

- **Environmental:** Report on the amount of renewable energy generated, carbon emissions reduced, and the number of installations completed.
- **Social:** Measure the impact on energy costs for customers and the number of jobs created in the green energy sector.
- **Governance:** Ensure compliance with environmental regulations and standards, and report on any environmental incidents or violations.

**SDG/ESG Metrics:**

- Megawatts of renewable energy generated.
- Tons of CO2 emissions avoided.
- Number of households and businesses powered by solar energy.

## Business Case 4: E-commerce Platform for Sustainable Products

**Sector:** E-commerce

**Incorporating Sustainability and SDG-/ESG-Reporting:**



### **Sustainability Initiatives:**

- **Sustainable Product Sourcing:** Partner with brands that follow sustainable production practices, ensuring products are eco-friendly and ethically made.
- **Carbon-Neutral Shipping:** Offer carbon-neutral shipping options to reduce the environmental impact of logistics.
- **Promote Responsible Consumption and Production (SDG 12):** Align with SDG 12 (Responsible Consumption and Production) by promoting products that are sustainable and ethically sourced.

### **ESG Reporting:**

- **Environmental:** Track the carbon footprint of logistics and the percentage of sustainable products sold.
- **Social:** Report on fair trade practices and the impact on artisan and small-scale producers.
- **Governance:** Maintain transparency in supply chain practices, ensuring all partners comply with ethical standards.

### **SDG/ESG Metrics:**

- Percentage of products sourced sustainably.
- Carbon emissions from shipping and logistics.
- Number of fair trade and small-scale producers supported.

## **Integrating SDG/ESG Reporting into Business Plans**

1. **Executive Summary:**
  - Briefly mention the commitment to sustainability and alignment with specific SDGs.
2. **Market Analysis:**
  - Highlight the growing market demand for sustainable products/services and the competitive advantage of being environmentally and socially responsible.
3. **Business Model:**
  - Include a section on how sustainability initiatives will drive growth and customer loyalty.
4. **Operations Plan:**
  - Detail the sustainable practices in operations, such as energy-efficient facilities, eco-friendly materials, and waste reduction measures.
5. **Financial Plan:**
  - Include projections for costs and savings associated with sustainability initiatives.
  - Highlight any potential funding or grants available for businesses with strong ESG practices.
6. **ESG/Sustainability Section:**
  - Dedicate a section to elaborate on the company's ESG strategy, specific SDG targets, and reporting mechanisms.
  - Outline the metrics that will be tracked and reported to demonstrate progress and impact.

## Tips for Presenting Sustainability and ESG to Investors

- 1. Highlight Long-term Value:**
  - Emphasize how sustainable practices contribute to long-term profitability and risk mitigation.
- 2. Showcase Impact:**
  - Use data and metrics to illustrate the positive environmental and social impact of the business.
- 3. Align with Investor Values:**
  - Tailor the presentation to align with the specific interests of family offices, foundations, and VC funds regarding sustainability and ESG.
- 4. Demonstrate Commitment:**
  - Provide clear examples of the company's commitment to sustainability, such as certifications, partnerships, and past achievements.

By integrating these sustainability and SDG/ESG elements into the business plan, the startups can not only attract a broader range of investors but also build a strong foundation for long-term success and positive impact.